Recruitment of Staff in the Nationalised Banks

3781. SHRI SUBAS MOHANTY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that most of the public sector banks are under-staffed and because of this the branches of nationalised banks are not being opened in the unbanked areas which is creating very serious difficulties;

(b) if so, whether it is also a fact that Banking Recruitment Boards are not able to provide adequate staff which could serve in unbanked pockets ;

(c) if so, whether Government propose to allow nationalised banks to recruit their staff themselves according to their need in unbanked areas, backward areas and tribal areas of the country ; and

(d) if so, what are the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) No, Sir.

(b) Does not arise as the Banking Service Recruitment Boards are generally providing the indented staff to the public sector banks.

(c) to (d) No change in the structure of recruitment machinery in public sector banks is currently contemplated.

LIC Loan for Housing Schemes

3782. SHRI SUBAS MOHANTY : Will the Minister of FINANCE be pleased to state :

(a) whether the Life Insurance Corporation of India has introduced a fresh thrust to the housing activities in the country ;

(b) if so, what are the details thereof and the extent to which the new schemes would help the policy holders in getting loan from LIC to buy houses ; and

(c) whether the LIC has modified some rules pertaining to the sanction of loan to customers and if so, what are the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Yes, Sir.

(b) A new housing scheme aiming at broadening the scope of the existing housing scheme at place where flats system is in vogue is being finalised by LIC. The scheme would enable the LIC to grant loans for purhase|construction of houses|flats, etc. against proper security without the requirement of the first mortgage of the property. A larger number of policy holders will now be able to get loans for construction/purchase of houses/flats under the new scheme.

(c) In the modified 'Own Your Home scheme effective from October, 1987 LI has introduced graded system of interest rates ranging from 12% for loans upto Rs. 50,000/-, 13% for loans between Rs. 50,000/- to Rs. 1,00,000/-, 14% between Rs. 1,00,000/- and Rs. 2,00,000/-, and 15% for loans over Rs. 2,00,000/- as against the uniform rate of 13%. Maximum loan of Rs. 2.5 lakhs will be available irrespective of population criteria and for metropolitan cities like Delhi, Bombay, Madras and Calcutta, it will be Rs. 3,00,000/-. Procedures and Application Forms have been simplified to enable borrowers to avail of loan even during the course of construction under the Self Financing Schemes of Government/Statutory Authorities. Loans can be obtained on production of letter of Allotment from the concerned authority/Share Certificate issued in favour of the applicant by a Co-operative Housing Society.